

SENATE FILE 2017
BY SODDERS

A BILL FOR

1 An Act providing an exemption from the state individual income
2 tax for federal retirement pay received for military service
3 and including a retroactive applicability date provision.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.7, Code Supplement 2009, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 31A. a. Subtract, to the extent included,
4 retirement pay received from the federal government for
5 military service performed in the armed forces, armed forces
6 military reserve, or national guard.

7 b. The exclusion of retirement benefits under this
8 subsection is in addition to any exclusion provided under
9 subsection 31.

10 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
11 retroactively to January 1, 2010, for tax years beginning on
12 or after that date.

13 EXPLANATION

14 This bill provides for the exclusion of retirement benefits
15 from federal military service in the armed forces, military
16 reserve, or national guard. The exemption is in addition to
17 the general pension exclusion.

18 The bill applies retroactively to January 1, 2010, for tax
19 years beginning on or after that date.